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November 30, 2001

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Ex Parte Presentation

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
Room TW-B-204
445 12th Street, S.W.
Washington, D.C. 20554
c/o Capitol Heights facility
9300 East Hampton Drive
Capitol Heights, MD 20743

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Joint Application by BellSouth Corporation, et al. for Provision of In-Region, InterLATA Services in Georgia and Louisiana, 01-277

Dear Ms. Salas:

On behalf of BellSouth Corporation ("BellSouth"), I am writing to inform you that Jan Funderburg, Ernest Bush, Fred McCallum, Al Varner, Bill Stacy, Ken Ainsworth, Bob Blau, Jon Banks, Glenn Reynolds, and Kathie Levitz, representing BellSouth, participated in a meeting on Thursday, November 29, 2001, with Dorothy Attwood, Kathy Farroba, Michelle Carey, Jessica Rosenworcel, Chris Libertelli, Renee Crittendon, Aaron Goldberger, Daniel Shiman, Ian Dillner, and, by telephone, Jeff Carlisle to discuss issues raised concerning the pending application.

The attached documents reflect the substance of the meeting and the specific issues discussed therein. Three of the documents are being filed as Confidential and should be treated as subject to the Protective Order in this proceeding.

Pursuant to the Commission's rules, I am enclosing one original copy of this letter with the pages from the confidential exhibits. Additionally, I am enclosing two copies of this letter with those exhibits redacted for public inspection. Inquiries

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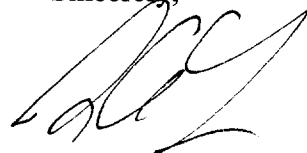
Magalie Roman Salas
November 30, 2001
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Ex Parte Presentation

regarding access to the confidential material submitted with this letter should be addressed to Laura Brennan, Kellogg, Huber, Hansen, Todd & Evans, 1615 M Street, N.W., Suite 400, Washington, D.C., 20036, 202-367-7821.

Please date-stamp and return one copy. If you have any questions, please contact me at (202) 326-7975. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Lev', written over the word 'Sincerely,'.

Sean A. Lev

cc: Jessica Rosenworcel (FCC CCB)
Susan Pié (FCC CCB)
Leon Bowles (GPSC)
Arnold Chauviere (LPSC)
James Davis-Smith (DOJ)
Qualex (FCC copy contractor)

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BellSouth Ex Parte Presentation

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**FEDERAL COMMUNICATIONS COMMISSION
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INTRODUCTION

A. Purpose

- The purpose of this presentation is to demonstrate that BellSouth has carried its burden of proof with regard to each item that has been raised by the Bureau.
- All of these issues should be viewed against the backdrop of the evidence of significant competition in Georgia and Louisiana (including competition based on use of stand-alone loops), excellent performance in key areas (including UNE-P) even with surging order volumes, and the absence of any significant pricing issues. *See* Tab 1. This evidence is the best proof that BellSouth's markets are open.
- The other key background fact here is that both the GPSC and the LPSC have reviewed almost every one of these issues, many of which are fact-intensive, and have unequivocally determined that they provide no basis to find that BellSouth has not opened its markets to competition or met the competitive checklist. The findings of those agencies, which have devoted years to reviewing BellSouth's performance and are committed to competition, deserve significant respect.

B. Outstanding Issues

1. Data Integrity/Third-Party Test Results on Data Integrity
2. CLEC Integration of Preordering and Ordering Interfaces
3. Due Date Calculation
4. Manual Handling of CLEC Orders
5. Florida Third-Party Test – Manual and Mechanized Volume Test Results
6. Change Management
7. Electronic Ordering for IDSL
8. Trouble Reports on ISDN, Digital Loops, and Line Sharing
9. DUF Rates

I. DATA INTEGRITY AND THE GA/FLA THIRD-PARTY TESTS

A. BellSouth's Data Are Stable and Reliable

- The primary reason for the data restatements in past months is the complexity of the work that was involved in implementing the GPSC's Rocket Docket Order of January, 2001. Attached at Tab 2 is an analysis of the work that was done. Initial implementation alone took over 15,000 work hours.
- Nevertheless, the total number of sub-metrics that have been modified is very small and has been consistently decreasing.
- In Louisiana, for May through September, 30 sub-metrics out of a total of 6,587, or 0.5%, of the sub-metrics that were subject to parity indications were modified. See Tab 3 for analysis.
- In Georgia, from May through September, 256 out of 6,573, or 3.9%, of the sub-metrics that were subject to parity indications were modified. See Tab 3 for analysis.
- Georgia results are the first ones published each month, which leads to a higher number of modifications.
- The data attached in Tab 3 further demonstrate that corrections have declined substantially, especially since July. In Georgia, where 7.1% of the sub-metrics were altered in July, 0.4% were altered in August and 0.0% in September. Similarly, 0.0% of the Louisiana sub-metrics were revised in both August and September.
- The magnitude of the changes within each measure is also small. As shown in the attached analysis, the number of modifications that actually resulted in a change to the parity indicator was 0.06% for these 5 months in Louisiana and 0.8% in Georgia. A parity change means a change from "yes" to "no," "no" to "yes," blank to "yes," or blank to "no." See Tab 3 for analysis.
- Further, BellSouth has also reviewed each data-point for May through September in Georgia. When viewed on an individual data-cell basis, 888 of 25,727, or 3.45% of the cells were modified. See Tab 4.
- The GPSC has confirmed that errors in the performance data are not competitively significant and did not affect the key measures that it relied upon. As the GPSC noted in its reply comments, data for interface availability, FOC timeliness, reject interval, and other key

measures have not changed in July or August. The relevant pages of the GPSC's reply comments are attached at Tab 5.

B. Flow Through

- The only performance evidence that has changed since the filing of this application relates to flow through.
- The revisions to the flow-through data largely involved the categorization of LSRs into the appropriate categories. These revisions were not the result of missing or unaccounted for LSRs. See Tab 6 for further analysis.

C. Florida Third-Party Test Metrics Exceptions Do Not Raise Significant Reliability Concerns.

- There are a total of 11 outstanding metrics exceptions in Florida.
- Six of these Exceptions (10, 22, 109, 119, 120 and 122) do not address measurement results.
- The remaining five exceptions have only a minor impact as follows:
 - Exception 27 – Percent Provisioning Troubles in 30 Days – (Same as Georgia 86.1) less than 0.01% impact. Fixed with October data.
 - Exception 36 – Partially Mechanized FOC Timeliness and Reject Interval - remove 0.012% to 0.014% of LSRs from denominator of measure. Fixed with October data.
 - Exception 101 – Total Service Order Cycle Time – includes some pending orders. Difference of 0.3% in result. Fixed with August data.
 - Exception 113 – Flow Through – missing xDSL orders. Missing 0.3% of orders in August and 0.2% in September. Virtually no impact on aggregate flow-through result. Fixed with September data.
 - Exception 114 – Fully and Partially Mechanized FOC Timeliness – small number (5 Fully Mechanized and 53 Partially Mechanized) LSRs not mapped to products. Appears to be Coin and Governments, which if correct would be properly excluded. Fix may not be required.

- Given the extensive disaggregation of the data, the ongoing third-party tests, ongoing dockets modifying the measurements, and multiple ongoing audits of the data, it is unreasonable to expect that there will not be a subset of data issues present at any given time.

II. CLEC INTEGRATION OF PREORDERING AND ORDERING FUNCTIONALITY

A. Integration Generally

- Integration involves transferring information from RSAG (address), PSIMS/COFFI (switch feature and services), ATLAS (telephone numbers), and the customer service record or CSR to the order.
- BellSouth has provided to CLECs the same parsed, integrateable data for RSAG, PSIMS/COFFI, ATLAS, and CSRs as to retail.

B. BellSouth Has Provided CLECs with Comprehensive Materials To Permit Integration

- BellSouth provides CLECs with all the specifications and documentation necessary for integrating BellSouth's interfaces. Materials include the CSR Job Aid and the Pre-Order to Firm Order Mapping Matrix that allows CLECs to parse the CSR. *See* Tabs 7 and 8 (Stacy Affidavit Exhibits OSS-53 and OSS-54).

C. CLECs Have Integrated

- BellSouth believes that approximately 40 CLECs have integrated. *See* Tab 9.
- DeltaCom integrated TAG pre-ordering with EDI ordering in 2000. *See* Tab 10 (Alabama 271 Hearing Transcript). In several 271 state hearings since this time, DeltaCom has never retracted this admission. DeltaCom has also not refuted BellSouth's statements on this point in this proceeding.
- WorldCom has integrated service address validation from TAG into order. *See* Tab 11 (North Carolina 271 Hearing Transcript). WorldCom has made little or no effort to integrate any other capability. *See id.* (North Carolina Tr. at 240-242).
- AT&T first admits, then "doesn't know" whether it has integrated.

AT&T's witness, Mr. Bradbury, has admitted that "I do know that we have integrated in the past TAG with the EDI interface and I know that work has been done there and I would assume it's still going on." Tab 12 (Alabama 271 Hearing Transcript at 2998). *See also* Tab 13

(Kentucky 271 Hearing Transcript) (denying knowledge of whether AT&T has integrated).

BellSouth believes that AT&T has fully integrated preordering and ordering functionality with exception of services and equipment portion of CSR.

- Despite being provided with a detailed 104-page Pre-Order to Firm Order Mapping Matrix, AT&T has made little or no effort to utilize this tool to integrate. The Alabama transcript clearly shows that AT&T has made little use of the materials provided by BellSouth that would enable AT&T to integrate. *See* Tab 12 (Alabama 271 Hearing Transcript at 3001-3007) (stating that document was sent to IT but that no follow-up work was done).

D. Vendors Offer Products Allowing Integration

- Vendors offer products that integrate preordering and ordering functionality.
- Exceleron offers a product, Commgate, that works with BellSouth's TAG pre-ordering and TAG ordering interfaces. Commgate supports the integration of BellSouth's pre-order queries, address validation, and TN reservation into the "order entry module."
- Concretio also offers software that integrates BellSouth's TAG pre-ordering and EDI ordering functionality. Concretio's product, TRS, supports the integration of BellSouth's pre-order queries, address validation, TN reservation, and CSRs into the "order entry module."

E. KPMG Validated the Fact that CLECs Can Integrate

- KPMG tested "the degree to which a CLEC could develop automated integrated transactions and to highlight any inconsistencies in field name(s) and format between pre-order and order forms." *See* MTP Final Report at V-13. KPMG tested seven criteria in this area, and found all of those to be Satisfied. *See id.* O&P-1-5-1 to O&P-1-5-7, at V-A-28 to V-A-31. The relevant portions of the KPMG report are included at Tab 14. *See also* Stacy Affidavit ¶ 68.

F. Both the GPSC and the LPSC Have Concluded After Full Review that CLECs Can Integrate Successfully

- "In accordance with the FCC's requirements, the Commission finds that BellSouth provides CLECs with all the requirements necessary for integrating BellSouth's interfaces. . . . CLECs may integrate ordering

and pre-ordering functions by integrating the TAG pre-ordering interface with the EDI ordering interface, or by integrating TAG pre-ordering with TAG ordering.” GPSC Comments at 87-88 (citations omitted).

- “CLECs have successfully integrated the TAG pre-ordering interface with the EDI and TAG ordering interfaces based on the specifications provided by BellSouth.” LPSC Evaluation at 33.

G. TN Migration Serves the Same Purpose as Integration for the Vast Majority of UNE-P Orders

- After the implementation of UNE-P ordering by telephone number, over 90% of the UNE-P orders (based on September 2001 data) require no integration at all in order to submit the order.

H. BellSouth Has a Binding Legal Obligation to Make a Fully Parsed CSR Available

- The GPSC has ordered BellSouth to make a fully parsed CSR available by January 5, 2002, and the LPSC has also established a January 2002 deadline. BellSouth is committed to, and on target for, meeting those deadlines.

III. DUE DATE CALCULATION

- Initially, BellSouth discovered that CLECs submitting fully mechanized resale and UNE-P non-dispatch orders were receiving due dates that were longer than necessary. This was due to the fact that BellSouth's OSS queried the Distributed Support Application ("DSAP") and applied DSAP due-date logic to assign the due date on fully mechanized resale and UNE-P orders. DSAP made no distinction between those orders that required a dispatch and those that did not. Other electronic orders (*i.e.*, those that did not require DSAP logic for purposes of calculating the due date), partially mechanized orders, and manual orders did not experience this problem; these orders have received and will continue to receive the correct due date.
- After the problem described above was identified, a temporary fix was implemented for UNE-P orders in February 2001. This fix identified those fully mechanized UNE-P orders that did not require dispatch and automatically revised the due dates on those orders to 0/1 days, depending on the time of day the order was received. Orders on which the CLEC requested a longer due-date interval were assigned a correct due date and were not affected by this process.
- BellSouth designed a permanent system fix to address the due-date problem for resale and UNE-P orders, which was included as part of Release 9.2.1 that was installed on June 2, 2001. This release included a feature to distinguish between orders requiring a dispatch and those that did not and to apply the DSAP due-date logic only to dispatched orders. Non-dispatched orders were to be provided 0/1 day due dates. Based on the belief that the release had resolved the due date issue for resale and UNE-P orders, the temporary fix described above was discontinued.
- After Release 9.2.1 was installed, however, BellSouth discovered the existence of hard-coding that caused resale and UNE-P orders to continue to go through the DSAP lookup and the due-date calculation associated with that logic. The effect was that the hard-coding prevented the due-date calculation feature from working correctly, and orders continued to be assigned later due dates. The temporary fix described above was reinstated for UNE-P orders on July 28, 2001.
- The coding to correct the defect identified in 9.2.1 was implemented on September 29, 2001. Although this coding was generally successful, it did not impact a limited number of UNE-P orders that included certain types of changes to the end-user customer's service (*e.g.*, changes "as specified" by the CLEC on the Local Service Request ("LSR")). A temporary fix was implemented on November 3, 2001 to apply the automatic due date

changes to these limited types of UNE-P orders. The coding to resolve this and all other known due date calculation issues will be implemented by February 2002.

- In conjunction with the electronic fixes implemented by BellSouth to address the due-date problem with mechanized UNE-P and resale orders, BellSouth also implemented a workaround process that was designed to give CLECs the intended benefit of earlier due dates. BellSouth implemented this workaround on June 15, 2001.
- Under this workaround process, LSRs that have greater than a 1-day due date, and that have received a Firm Order Confirmation (“FOC”), are identified via a LEO system report generated 4 times per day. This LEO report is screened via a Taskmate (HITOPS) program that: (1) screens the pending service order to make sure it is non-dispatch; (2) accesses the pending service order in SOCS; (3) updates the due date to the current day; and (4) generates a subsequent FOC in LEO to advise the CLEC of the new due date. This workaround process is the source of the second FOC on certain resale and UNE-P mechanized orders.
- The workaround process is still being used today as final filter to catch any remaining minor defects with the due dates for mechanized resale and UNE-P orders that were not resolved by the electronic fixes described above. The number of orders that are affected by this workaround process, and thereby receive a double FOC, is relatively small, particularly as a percentage of total orders received.

Between October 29, 2001 and November 27, 2001, BellSouth received electronically 116,947 UNE-P orders region-wide; only 2,654 of these orders (2.3%) received a double FOC.

Between October 29, 2001 and November 27, 2001, BellSouth received electronically 245,050 resale orders region-wide; only 9,620 of these orders (3.9%) received a double FOC.

For the 361,997 Resale and UNE-P orders received by BellSouth region-wide between October 29, 2001 and November 27, 2001, only 12,274 of these orders (3.4%) received a double FOC.

IV. MANUAL HANDLING OF CLEC ORDERS

A. BellSouth's Mechanized OSS Are Efficient And Minimize The Need For Manual Handling

- More than 90% of orders are actually placed mechanically; over 94% of all orders could have been placed electronically. *See* Tab 15.

Accordingly, approximately 40% of orders placed manually could have been placed electronically.

BellSouth requires manual ordering only on complex and very low volume products. Stacy/Varner/Ainsworth Joint Reply Aff. ¶¶ 17-19 & n 3 (listing products). For convenience, that joint affidavit is attached as Tab 16.

BellSouth's rate of manual orders is lower than the rates in SWBT states at the time of those 271 applications. In Texas, for instance, the rate was greater than 40%. *See* Tab 17.

"[O]rders to BellSouth flow through with a minimum of manual intervention." BTI Comments at 2.

BellSouth OSS allow UNE-P orders "to be provisioned and accurately completed in the significant majority of cases within two or three days." NewSouth Comments at 5.

- BellSouth's relatively low reject rate contributes to the efficient processing of mechanized orders

BellSouth's reject rates are lower than/comparable to SWBT and Verizon reject rates. *See* Tab 18.

BellSouth reject rates for UNE-Platform orders are comparable to reject rates for resale. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶22. DOJ concludes that the market for resale is "fully and irreversibly open." DOJ Evaluation at 38.

Reject rates vary widely by carrier. The 10 CLECs with the highest order volume in Georgia have reject rates ranging from 6% to 57%. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶ 23 (for Louisiana, the range is from 6% to 39%). This variation indicates that rejects "may be a function of a competing carrier's experience using the system, rather than the system itself." *Kansas/Oklahoma Order* ¶ 143.

- A relatively high percentage of CLEC orders flow through BellSouth's OSS, providing for efficient mechanized handling of orders and reducing the amount of manual handling

Using Verizon's relatively broad flow-through measure, BellSouth's flow through is generally higher than Verizon 271-approved states. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶¶ 26-27 and table.

Using SWBT's narrower flow-through measure, BellSouth's flow through is generally comparable to SWBT 271-approved states. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶¶ 29-30 and table.

Over 20 CLECs have BellSouth "achieved" flow through of more than 90%. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶ 32.

- Overall, the level of manual handling in Georgia and Louisiana is relatively low. For example, CLEC orders in Georgia are manually handled at half the rate that they are in Arkansas. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶¶ 33-34.

B. BellSouth Processes Manually Handled Orders Quickly

- State-set performance benchmarks for reject and FOC timeliness in Georgia and Louisiana are comparable to those in other 271-approved states. See Tab 19 for a comparison of these benchmarks.
- BellSouth performance on manually handled orders substantially exceeds benchmarks. See Tab 20 for a detailed analysis of BellSouth's performance.

C. BellSouth Processes Manually Handled Orders Accurately

- BellSouth's service order accuracy measure checks many fields on each order for correctness. The measure counts a single inaccurate field as a miss on the entire order.
- BellSouth's performance has improved substantially since July. In September, BellSouth's aggregate service order accuracy rate was 90.7% for Georgia and 91.6% for the region against a benchmark of 95%. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶ 50. In October, the Georgia data show even greater improvement, to 95.5% aggregate service order accuracy, which exceeds the benchmark.
- BellSouth's accuracy rate comparing the number of correct fields to the total number of fields is very high. For the September report, BellSouth

checked 61,007 fields, of which only 195 had errors, yielding an accuracy rate of 99.68%. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶ 50.

- BellSouth's service order accuracy for CLECs is roughly comparable to the accuracy rate for BellSouth retail. Stacy/Varner/Ainsworth Joint Reply Affidavit ¶ 54.
- The staffing, training, and hiring practices for BellSouth employees dealing with CLEC orders are at parity with BellSouth's retail units. CWA Comments at 6.

D. CLEC Complaints Regarding Service Order Accuracy Are Overstated

- WorldCom's loss of dial tone rate on UNE-P conversions is significantly overstated, as it was in Texas. The correct rate is well under 1%, as it was in Texas. Ainsworth Reply Affidavit ¶ 76.
- Birch's complaints about service order accuracy are also significantly overstated. Claimed errors are neither service affecting nor competitively significant. Over half the documented LSRs with claimed errors in Birch's analysis were due to omission of a USOC that blocks calls to 900 numbers and directory assistance.

Birch did not escalate service order accuracy problems to its account team as an action item until October 31, 2001. Weekly account team calls with Birch have been occurring for about a year. Minutes of those meetings reflect that numerous action item issues raised by Birch were resolved.

Birch's claims of inaccurate processing are significantly lower than the claims Birch made in an ex parte filed with the FCC concerning the Texas application. That ex parte claimed SWBT made errors on 36% of Birch's manual orders (compared to the 28.17% alleged against BellSouth). See Birch June 27, 2000 Ex Parte, CC Docket 00-4.

V. FLORIDA THIRD-PARTY TEST – MANUAL AND MECHANIZED VOLUME TEST RESULTS

A. The Manual Volume Test

- The tests have resulted in two Exceptions.

Exception 72 involved transposing the numbers on the KPMG fax telephone number and thus sending the manual fax to the wrong location. To resolve this issue, BellSouth will implement a process in the LCSC whereby any fax failures will be flagged to the attention of an LCSC Manager for investigation on November 30, 2001. In addition, BellSouth offers a PON status report to all CLECs on the Interconnection Services website that provides a current status for all PONS submitted to the LCSC.

Exception 116 involved KPMG not receiving the expected responses to 13 of 54 orders that were submitted. None of those errors involved the accuracy of service orders or customers receiving a different service than they ordered. Rather, on 2 orders KPMG received unexpected FOCs because BellSouth corrected errors on an order. On 3 other orders, a resale form was requested that was not necessary given the order type. Another 3 orders received a due date on the FOC that was not the same as requested on the order. Six of the orders involved business rules conflicts. In response, BellSouth has investigated and found that the unexpected responses resulted from employee errors. Additional training was provided on these issues, and BellSouth updated the LCSC work instructions to address the issue.

- Manually submitted orders account for 10% or less of the orders submitted to BellSouth. While BellSouth is committed to improving in this area, neither of these exceptions should be considered as a significant barrier to BellSouth's satisfaction of Checklist Item 2.

B. The Mechanized Volume Test

- Since the third-party test in Georgia concluded, BellSouth has increased the capacity of its production environment. BellSouth has performed ongoing, routine internal normal, peak, and stress volume tests that have clearly demonstrated that BellSouth's production environment has sufficient capacity to meet the business needs of CLECs and the volume testing conducted in the Florida OSS Third-Party Test.
- CLECs have alleged that “when such volume testing was attempted in Florida, it had to be aborted after a single day because BellSouth’s systems were unable to handle even the lowest level of volume testing.”

This is not true. At no point in the Florida volume testing process was the test aborted due to order volumes. Two functional issues surfaced that caused the Local Service Requests (“LSRs”) to fall out for manual handling in the Local Carrier Service Center (“LCSC”). Those two issues were (1) a due-date calculation defect, and (2) a back-end resource defect. These were system functionality issues, not capability issues. Both were corrected on September 29, 2001 in Release 10.0.

- There have been five (5) exceptions opened as a result of the two volume tests that KPMG attempted. Four (4) of the exceptions were opened following the first volume test, and all of those have been or are being **closed or withdrawn**:

Florida Exception 99 – Of the 30 LSRs identified by KPMG, all 30 fell out for manual handling. Thirteen (13) of the LSRs that fell out did so because of a calculated due-date issue that was resolved on September 8, 2001. Nine (9) of the LSRs fell out because of an existing defect that prevented two backend systems from properly communicating. The fix resolving this problem was implemented September 29, 2001. Four (4) of the LSRs fell out due to KPMG introduced data problems. Two (2) of the LSRs fell out because of back-end system problems, and two of the LSRs fell out due to BellSouth transient problems. KPMG validated these fixes in the volume test conducted on October 31, 2001. KPMG is now **closing** this exception.

Florida Exception 104 – BellSouth disagreed with KPMG’s findings and the measurement results for the pre-order queries submitted via RoboTAG™. It is important to note that RoboTAG was designed for the small- to medium-sized CLEC. KPMG (using one RoboTAG™ server) processed 9,641 pre-order transactions during the one-day test on August 15, 2001. This represents approximately one-month’s transactions from even the most active RoboTAG™ user. KPMG re-interviewed the large carrier who had informed KPMG that it would be using RoboTAG™ in its future operations, and the carrier recanted its earlier statement and informed KPMG that it would not be using RoboTAG™ at all. KPMG, under the guidance of the Florida Public Service Commission’s Staff, is **withdrawing** this exception.

Florida Exception 107 – Of the three LSRs identified by KPMG, BellSouth’s found that all three LSRs fell out for manual processing. One (1) LSR fell out due to a KPMG-introduced data problem and two (2) LSRs fell out due to an existing defect that was corrected September 29, 2001. KPMG re-tested this issue during the October 30, 2001 volume test. The fixes were validated and BellSouth expects KPMG to **close** this exception.

Florida Exception 108 – KPMG issued this exception and claimed that it had not received timely responses for some pre-order queries submitted via the TAG interface. BellSouth responded with its timestamp analysis, and KPMG subsequently concluded that it had utilized the wrong timestamp in its calculation. KPMG **withdrew** the exception.

- After satisfying these exceptions, KPMG conducted a second volume test on October 30, 2001. The previously identified exception resolutions were confirmed by the KPMG test. KPMG did experience a new issue and issued one new exception.

Florida Exception 118 – KPMG issued this exception after receiving invalid responses for pre-order queries submitted via the TAG interface during the second volume test. BellSouth analyzed the issue and found that, as KPMG received service availability responses, the data within the fields were being dumped into outgoing customer service requests. Therefore, the customer service requests had incorrect and/or missing data as they were submitted to BellSouth so they were then appropriately rejected back to KPMG. BellSouth and KPMG are still trying to determine how this “cross-pollination” of data occurred. BellSouth’s analysis indicates that the problem was within KPMG’s test factory where KPMG generates its transactions, and that the BellSouth systems operated properly. Importantly, no other CLEC has had this problem. Joint resolution activities are expected to continue, and KPMG will execute a new volume test.

- BellSouth’s systems have not experienced any capacity issues as KPMG has executed volume tests associated with the Florida OSS Third-Party Test. BellSouth is ready for KPMG to continue executing the planned volume tests.
- A complete discussion of these exceptions is contained at Tab 21.

VI. CHANGE MANAGEMENT

A. A Substantial Portion of BellSouth's Software Programming Capacity Has Been Utilized for CLEC-Driven Requests

- Forty percent of software capacity (*i.e.*, total hours to develop, test & implement system features) during 2001 was utilized to address CLEC requests submitted directly via the CCP prioritization process and as state/federal mandates. BellSouth devoted approximately \$65,992,680 and 119,867 programming hours to these CLEC-driven requests.
- Between the inception of the CCP and October 15, 2001, 65 change requests for new functionality were implemented. Of these, 33 were BellSouth-initiated, and 32 were CLEC-initiated.
- In total, 189 total change requests have been implemented (regardless of the source or the specific type of change), confirming the actual effectiveness and impact of the CCP. *See* Stacy Reply Affidavit ¶¶ 62-63.
- The GPSC and the LPSC have both closely monitored change control issues and repeatedly found BellSouth's performance to be satisfactory. CLECs can and should bring any change controls to those commissions, which stand ready to resolve them.

B. Many Additional Features/Functionalities Have Been Created as a Result of CLEC-driven State/Federal Mandates

- CLEC Application Verification Environment (CAVE) – responding to a CLEC high priority in 2000, and enabling CLECs to test new functionality.
- CSR Parsing (in production January 5, 2002) – enabling CLECs to further parse Customer Service Record information into separate fields.
- Calculate Due Date – enabling CLECs to receive a calculated due date based upon the work force availability and the product/service interval.
- TN Migration – providing a CLEC with the option of submitting a migration request using the telephone number to order.

C. BellSouth Planning for 2002 Forward

- In an effort to address CLEC and KPMG Third-Party Test concerns in the CCP about release resource planning, BellSouth has already committed to allocating 40% of its annual release capacity for implementing CLEC change requests and/or CLEC-driven mandates. *See Stacy Reply Aff. ¶ 69.*
- This should provide CLECs the ability to more readily rely upon the CCP as their first option for submitting a change request, thus obviating the need for CLECs to seek relief via regulatory channels. The remaining 60% will be used for implementing public switched network mandates such as NPA overlays and Number Pooling (5-10%), defects and maintenance (approximately 25%), and the remaining 25-30% for BellSouth change requests that also benefit the CLECs. This allocation strategy results in greater release capacity being devoted to CLEC-initiated requests (including CLEC-driven mandates such as TN validation) than to BellSouth-initiated requests.
- BellSouth will provide information to the requesting CLECs as to whether BellSouth believes the requested change will require a small, medium, or large amount of resource allocation. BellSouth will provide such a preliminary estimate for each change request submitted for prioritization. BellSouth will also track the capacity per the above categories and provide a year-to-date percent capacity used for CLEC-initiated requests. BellSouth will provide this report on a quarterly basis, beginning with calendar year 2002.

D. BellSouth Continues To Be Committed to Implementing CLEC-Driven Requests in the Future

- Of the top 15 pending prioritized CCP feature requests, BellSouth has committed to implementing at least five of these during releases planned for the first half of 2002. This is in addition to BellSouth's commitment to deploy other mandates that have previously been communicated.
- Those features are related to: Line Splitting; Parsed CSR; Enhancement of Service Inquiry for SL1, SL2 and DSO; Pre-ordering for DS1 and ISDN; and Single "C" Ordering.
- Additional detail on these issues is provided at Tab 22.

VII. ELECTRONIC ORDERING FOR IDSL

- BellSouth's offering of IDSL manually provides CLECs with an option that has not been available in some prior approved applications. In particular, SWBT did not introduce an IDSL product until March 2001, and thus after its Texas and Kansas/Oklahoma approvals. *See* Tab 23 (reproducing SBC Accessible Letters announcing this offering).
- BellSouth is committed to providing electronic ordering for IDSL to CLECs, if this is a priority for them. A request to provide electronic ordering for this product has been placed into the change control process by the CLECs. At the last prioritization meeting (November 14, 2001), the CLECs did not agree to prioritize this request as a type 2, so it remains in a low priority for implementation. At the current rate of implementation, we would expect this request to be implemented in 3rd or 4th quarter, 2002.

- BellSouth is willing to place a higher priority on electronic ordering for this product, and has investigated the system changes that would be required to implement electronic ordering in two phases:

Phase 1 - Electronic ordering with designed fall out for manual handling in the LCSC, and

Phase 2 - Electronic ordering with automatic service order generation (flow-through).

- If this project is placed at the highest priority level, bypassing the change control process, BellSouth believes it could implement Phase 1 by February 2, 2002 and Phase 2 by the end of September 2002.
- Interim Process for Treatment of IDSL/UDC loops.
- Network circumstances have changed.
- BellSouth has provided an efficient manual process for handling IDSL ordering and provisioning. Metrics for the CLEC ordering the largest quantity of this product show that 99.8% of the Firm Order Confirmations are being delivered in less than 12 hours (FOC timeliness non-mechanized), and that the service is being provisioned in an average of 11.3 days (OCI). On average, then, the total service order interval for this product is less than 12.3 days. This interval compares to a BellSouth retail interval for the comparable ISDN product of 12.9 days. This service, even with its manual component, is being furnished at parity.

VIII. TROUBLE RATES ON CERTAIN LOOP PRODUCTS

A. Process Improvements

- Since May, BellSouth has been involved in efforts to trial and implement new maintenance processes that apply to the provisioning, maintenance, and repair of digital loops.
- BellSouth learned that a large number of troubles on ISDN and other types of digital loops were being resolved by simply re-seating the line card.
- Trial has developed a process to test CPE on issuance of a trouble, and additional testing processes have been implemented to isolate the trouble on these lines more quickly.
- A second trial focused on the testing process that has been undertaken where the CWINS Center and the Network organization have worked to review and improve the turn-up and trouble isolation on digital loops. As a result of this trial, new testing processes have been implemented to ensure that test results from initial provisioning are maintained in the permanent line record. Also, additional test equipment has been installed in BellSouth central offices to allow for the testing of ISDN loops in connection with installation and maintenance activities.
- Methods and procedures for unbundled digital loops have been enhanced.
- These actions are beginning to show results in the September-October performance data, most apparently in Georgia as a result of the increased volumes.

B. Performance on ISDN UNE Loops: % Troubles in 30 Days (B2.19.6.1.1)

- Performance shows improvement
- June – October: Georgia performance improved in 4 out of these 5 months. See Tab 24 for charts. The % troubles have fallen from 11.36% to 4.48% in October.
- October z-score is -1.8776, very close to parity.

- In Louisiana, BellSouth met the parity benchmark for 7 of the last 9 months. The only two months that were missed were June and July, where the retail analog result was not accurate.

C. Performance on Digital Loop: % Troubles in 30 Days (B2.19.19.1.1)

- Process Improvements same as ISDN UNE.
- Testing Process Improved and Enforced.
- CLEC often delays turn up several days for end user, causing a trouble report.
- BellSouth working to improve initial provisioning to lower troubles.
- Retail data are not accurate for June and July – shows no troubles.
- March – October in Georgia BellSouth met parity benchmark 4 out of 6 months, excluding June and July. See Tab 25 for charts.
- March – September in Louisiana BellSouth met parity benchmark 4 out of 5 months, excluding June and July. See Tab 25 for charts.

D. Performance on Line Sharing Repeat Troubles: % Troubles in 30 Days (B.3.7.4.2)

- Until September data, retail analog was not capturing all troubles.
- In September in Louisiana, and in September and October in Georgia, BellSouth had parity in this measure. See Tab 26 for charts.
- Number of CLEC Troubles is low, 25 or less in every month.
- Small changes in performance drive out of parity condition.